

AMENDED IN SENATE MAY 12, 2005

AMENDED IN SENATE APRIL 28, 2005

SENATE BILL

No. 510

Introduced by Senator Hollingsworth

February 18, 2005

An act relating to workers' compensation insurance, *and declaring the urgency thereof, to take effect immediately.*

LEGISLATIVE COUNSEL'S DIGEST

SB 510, as amended, Hollingsworth. Workers' compensation: motorcycles and specialty vehicles.

Existing law requires the Insurance Commissioner to designate a rating organization as his or her statistical agent for purposes related to workers' compensation insurance rating. The Workers' Compensation Insurance Rating Bureau has been so designated by the commissioner.

This bill would require the Workers' Compensation Insurance Rating Bureau to study motorcycle and specialty vehicle dealerships with the purpose of developing a rating system that integrates these dealerships into the current workers' compensation classifications applicable to automotive dealerships. The bill would require the study to be presented to the Legislature and the Insurance Commissioner by June 30, 2006.

The bill would declare that it is to take effect immediately as an urgency statute.

Vote: ~~majority~~^{2/3}. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. (a) The Legislature finds and declares the
2 following:

3 (1) The Workers' Compensation Insurance Rating Bureau has
4 not conducted a study of the motorcycle and specialty vehicle
5 industry since 1975.

6 (2) The motorcycle and specialty vehicle industry has shown
7 tremendous growth in the past 25 years.

8 (3) Motorcycles and specialty vehicles are often manufactured
9 by automobile manufacturers, and automotive dealers have three
10 separate workers' compensation classifications.

11 (4) The motorcycle and specialty vehicle industry has
12 structured its dealerships in a manner similar to automotive
13 dealerships in the past.

14 (5) Recreational vehicle dealerships and other similar
15 dealerships have been assigned the same workers' compensation
16 classifications as automotive dealerships.

17 (b) The Workers' Compensation Insurance Rating Bureau
18 shall study motorcycle and specialty vehicle dealerships with the
19 purpose of developing a rating system that integrates these
20 dealerships into the current workers' compensation
21 classifications applicable to automotive dealerships. The study
22 shall be presented to the Legislature and to the Insurance
23 Commissioner no later than June 30, 2006.

24 (c) For the purposes of subdivision (b), "motorcycle and
25 specialty vehicle dealerships" means dealerships that sell or lease
26 motorcycles, all-terrain vehicles, or off-road vehicles.

27 *SEC. 2. This act is an urgency statute necessary for the*
28 *immediate preservation of the public peace, health, or safety*
29 *within the meaning of Article IV of the Constitution and shall go*
30 *into immediate effect. The facts constituting the necessity are:*

31 *In order to expedite the process of appropriately classifying*
32 *employees of motorcycle and specialty vehicle dealerships for*
33 *workers' compensation purposes, it is necessary that this act take*
34 *effect immediately.*